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June 3, 2008

LaDonna Castanuela
Office of the Chief Clerk MC 105
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

CMRRR: 7008 0150 0001 68 82 938

TEXAS COMMISSION ENVIRONMENTAL QUALITY

Dear Ms. Castanuela:

Pursuant to rule 17.25(a)(1) of the Title 30 Texas Administrative Code, Mont Belvieu Caverns, LLC respectfully appeals the Negative Determination for Use Determination Application 07-11881.

Mont Belvieu Caverns, LLC requests the commission consider the use determination for our Brine Storage Pond Project. We believe this project deserves a positive use determination because it employs many features that prevent the brine (salt water) from contaminating surrounding lands. Furthermore, the TCEQ has, in the past, granted positive use determinations for facilities like our Brine Storage Pond Project.

If you have any questions, please feel free to contact me at:

MONT BELVIEU CAVERNS LLC AD VALOREM TAX PO BOX 4018 HOUSTON TX 77210-4018

You may also contact me by telephone at 713-803-2895 or by email at ccisneros@epco.com.

Your assistance is greatly appreciated.

Sincerely,

Chris G. Cisneros

Senior Property Tax Representative

Enclosure

Buddy Garcia, Chairman Larry R. Soward, Commissioner Bryan W. Shaw, Ph.D., Commissioner Glenn Shankle, Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 20, 2008

MONT BELVIEU CAVERNS LLC AL NOOR PO BOX 4018 HOUSTON TX 77210 4018

This letter is to inform you that the technical review of Use Determination Application 07-11881 has been completed. This application is for:

MONT BELVIEU NORTH STORAGE 1027 FM 1942 MONT BELVIEU TX 77580

The outcome of this review is as follows:

A negative determination for the equipment and installation costs of the Brine Storage Pond Project. This equipment is considered to be production equipment and not pollution control property.

House Bill 3121, enacted during the 77th Legislature Session, established a process for appealing a use determination. The Texas Commission on Environmental Quality (TCEQ) rules that implement the appeals process are at 30 TAC 17.25. Pursuant to 17.25(a)(1), an appeal must be filed within 20 days of receipt of the use determination. Should you choose to appeal the use determination, please submit a copy of your appeal to the TCEQ Tax Relief for Pollution Control Property program at the time of filing the appeal with the Chief Clerk of the commission.

If you have any questions or require any additional information please contact the TCEQ Tax Relief for Pollution Control Property program at (512) 239-3100.

Sincerely,

David Greer

Team Leader, Pollution Prevention